



**Homeless Prevention Program (HPP)  
Program Guidelines**

## **Purpose**

The Homeless Prevention Program (HPP) is a state funded program for the prevention of homelessness in Virginia. This program replaces the Homeless Intervention Program (HIP). HPP is designed to divert households from homelessness by providing targeted and limited assistance to households who, but for this assistance, are likely to become homeless.

The program goal is to provide effective and efficient assistance to prevent new cases of homelessness. It is intended to be administered as a community-based resource that maximizes mainstream resources and prevents households from becoming homeless.

## **Funding Levels**

DHCD anticipates allocating approximately \$4,569,000 (based on level funding) to grantees selected through an open competitive application process. This funding is allocated on a two year funding cycle, where awards will be made for one-year terms and renewed for a second year based on performance, compliance, and available funding.

DHCD anticipates grantee awards in the \$100,000 - \$250,000 range based on proposed fund uses and local demonstrated need as identified in proposals submitted to DHCD for consideration. DHCD reserves the right to reduce any funding request based on local needs, applications received, and available funding.

Total requests and actual awards must adhere to HPP budget limits:

<b><i>Budgetary Limits</i></b>	
<b><i>Budget Category</i></b>	<b><i>Limits</i></b>
Financial Assistance	No less than 70 percent
Housing Relocation and Stabilization Services	Cannot exceed 20 percent
HMIS	Cannot exceed 5 percent
Administrative Costs	Cannot exceed 5 percent

Grantees reimbursement requests must be based on DHCD approved budgets within the HPP cost limitations. Grantees must request DHCD approval for any budget changes.

## **Eligible Geographic Areas**

DHCD's goal is to provide funding support for HPP eligible activities across Virginia. Any locality within the state of Virginia is an eligible service area. The intent of HPP is to provide funding for community-based homeless prevention services. As such, DHCD does not intend to award more than one grantee per Continuum of Care (CoC) or more than one grantee per Balance of State local planning group, although DHCD may make some exceptions where necessary. Applicants must be able to demonstrate how their proposed program will work with other providers to prevent homelessness within the applicable CoC or Balance of State local planning group. The HPP application will require the local CoC or Balance of State planning group to certify that the proposed program will be consistent with the local strategies to prevent homelessness and will indicate to what degree the proposed program is a coordinated local effort to prevent homelessness.

Grantees must provide targeted homeless prevention services in accordance with program policies and eligibility requirements on a first come first served basis. Grantees must

implement a strategy reaching out to all localities within the CoC or local planning group. Grantees must serve any Virginia resident, regardless of county/city residency, who meets eligibility requirements and screening procedures. Grantees must coordinate with other HPP grantees to avoid duplication of assistance.

Please check the following website for local CoC contact information and for information on the geographic areas covered by each CoC:

<http://www.hudhre.info/index.cfm?do=actionCocContactsSearch&st=VA&optTwo=%2Findex.cfm%3Fdo%3DviewCocContacts%26st%3DVA%26cSort%3DcocNum%23tl&optThree=>

<b>Virginia Continuums of Care</b>
Richmond/Henrico, Chesterfield, Hanover Counties CoC
Norfolk, Chesapeake, and Suffolk CoC
Roanoke City & County/Salem CoC
Virginia Beach CoC
Charlottesville CoC
Newport News/Hampton/Virginia Peninsula CoC
Portsmouth CoC
Lynchburg CoC
Petersburg CoC
Staunton/Waynesboro/Augusta, Highland Counties CoC
Winchester/Shenandoah, Frederick, Warren Counties CoC
Fredericksburg/Spotsylvania, Stafford Counties CoC
Danville/Martinsville CoC
Harrisonburg/ Rockingham County CoC
Virginia Balance of State CoC*
Arlington County CoC
Fairfax County CoC
Loudoun County CoC
Alexandria CoC
Prince William County CoC

<b>*Virginia Balance of State –Local Planning Groups</b>	
Planning District 1 (Lenowisco)	Lee, Scott, Wise, and Norton
Planning District 2 (Cumberland Plateau)	Buchanan, Dickenson, Russell, Tazewell, Washington, and City of Bristol
Planning District 3 (Hope Inter-Agency Council of Homelessness)	Bland, Carroll, Grayson, Smyth, Wythe, and City of Galax
Planning District 4 (Housing Partnership of the New River Valley)	Giles, Floyd, Montgomery (including Blacksburg and Christiansburg), Pulaski, and City of Radford
Planning District 9 (Piedmont Housing Network)	Culpepper, Fauquier, Madison, Orange, and Rappahannock
Planning District 13 (Southside)	Brunswick, Halifax, and Mecklenburg
Planning District 14 (Heartland)	Amelia, Buckingham, Charlotte, Cumberland, Lunenburg, Nottoway, and Prince Edward
Planning Districts 17/18 (Five Rivers Planning Group)	Lancaster, Westmoreland, Northumberland, and Richmond County
Planning District 22 (Accomack-Northampton)	Accomack and Northampton

*\*Please note that local planning groups are applicable only to the Balance of State CoC.*

### **Grantee Eligibility**

Grantees must be current on 990 filings (not applicable to units of government).

Grantees must be in compliance with applicable state and federal policies and procedures as outlined in the *Other Requirements* section of this document including compliance with federal and state non-discrimination laws.

Grantees must have established standard accounting practices including internal control and fiscal accounting procedures and be able to track agency and program budgets by revenue sources and expenses.

Grantees with outstanding audit findings, IRS findings, DHCD monitoring findings or other compliance issues are not eligible HPP grantees and any grantee will not be eligible to receive allocations if any of these conditions occur. DHCD reserves the right to contract with an alternative organization in cases of significant compliance issues. Please note that DHCD will work with all interested parties, where appropriate, toward the resolution of unresolved matters.

It is expected that grantees may be working with a number of other services providers in their local area. The grantee will assume full responsibility for meeting all HMIS, reporting, record keeping, spending, and other program requirements.

Grantees must be able to demonstrate that the proposed program is or will be coordinated on a local level (region, CoC, or local planning group). Grantees must also be current HMIS users and be able to demonstrate prior experience with homeless prevention activities, including financial assistance.

## **Programmatic Approach -Diversion**

HPP will support the prevention of homelessness through funding of homeless diversion approaches. Diversion is a strategy that prevents homelessness for households seeking shelter by helping them identify immediate alternatives to homelessness and connecting them, if necessary, with services and financial assistance. Diversion improves community outcomes by reducing the number of households becoming homeless and thus reducing the demand for shelter beds.

Diversion is the specific programmatic strategy or approach to homeless prevention. Please see the *Program Participant Eligibility* and *Eligible Activities* sections of this document for specific HPP requirements.

A diversion strategy intervenes as households are seeking shelter and works best when coordinated with the local service entry points (shelters or other providers where households are likely to go to seek shelter assistance).

At the entry point or as households are initially seeking shelter options, households are assessed to determine housing needs. Intake workers should ask specific questions, for example:

- Where did you sleep last night? *If they slept somewhere they could potentially safely stay again, this might mean they are a good candidate for diversion.*
- What other short - term (few days or weeks) housing options do you have? *If there is another option (staying with a family member) outside of shelter that could be used for a short period of time this could be worth exploring.*
- If staying in someone else's housing – What issues exist with remaining in the current housing situation? Can those issues be solved with case management, mediation, and/or financial assistance?
- If in their own housing unit – Is it possible/safe to stay in their current housing unit? What resources would you need to do that (financial assistance, case management, mediations, transportations, etc.)? *If a household could stay in their current housing with some assistance, activities should focus on a quick prevention-oriented solution that will keep the household in their unit (National Alliance to End Homelessness at <http://www.endhomelessness.org/content/article/detail/4155>)*

A case manager immediately begins to work with the households who are good candidates (where immediate crisis can be addressed or delayed) for diversion to start housing stabilization planning. This involves finding immediate housing or assistance to address the crisis and planning for longer term stability. Please note that some households can be stabilized in their existing housing units while others will require a move from their temporary housing situation to a more stable arrangement - in either case avoiding homelessness.

If an immediate safe alternative to shelter cannot be identified, a shelter stay is the most appropriate option.

Successful diversion programs include the following components:

- Screening tools and process – these are mechanisms that allow communities to quickly assess households for eligibility and appropriateness for diversion.
- System entry points – this is where the assessment for diversion and the provision of some crisis stabilization services should take place

Key outcomes include:

- Percentage of eligible households assisted with HPP where homelessness is prevented
- Percentage of diverted households stabilized in permanent housing
- Reduction in the number of households entering the homeless assistance system

Process and system requirements include:

- Assuring that all households at the entry point (when they are seeking shelter options) are screened for diversion eligibility
- Entry point(s) are easily accessible (open access when households are seeking shelter)
- Other service providers refer appropriate diversion candidates to the HPP program
- Shelter waiting lists are screened for appropriate diversion candidates
- Assessment tools that are capable of identifying eligible and appropriate households
- Written HPP policies and procedures and any revisions (must be reviewed and approved by DHCD)

### **Program Participant (Client) Eligibility**

Grantees must target prevention assistance to those individuals and families at the greatest risk of becoming homeless. The defining question to ask is:

“Would this individual or family be homeless *but* for this assistance?”

In order to receive financial assistance or services funded by HPP, individuals and families must meet the following requirements:

- Any individual or family provided with financial assistance through HPP must have at least an initial consultation with a case manager who can determine the appropriate type of assistance to meet their needs. Communities must have a process in place to refer persons who are either ineligible for HPP or who are not assisted due to lack of funds. In both cases there referrals must be to the appropriate resources or service providers that can assist them.
- Any individual or family receiving assistance beyond any arrears and two current months of rent and utility assistance must be evaluated and recertified as eligible every three months.
- The household must be below 50 percent of Area Median Income (AMI) with no more than \$500 in assets (includes all checking, savings, retirement accounts, stocks,

bonds, mutual funds, and real estate). This does not include primary, appropriate, and reasonable transportation, pension or retirement funds that cannot be accessed or primary residence for eligible mortgage assistance. Income limits are available on HUD's web site at: <http://www.huduser.org/DATASETS/il.html>. Grantees should use HUD's Section 8 income eligibility standards for HPP.

- The household must be at risk of losing its housing and meet both of the following circumstances:
  - No appropriate subsequent housing options have been identified; AND
  - The household lacks the financial resources and support networks needed to obtain immediate housing or remain in its existing housing
- Program participants must meet at least one of the high risk factors (listed below) **or** have two or more of the moderate risk factors (listed below) in order to qualify for prevention assistance through the HPP. The level of assistance provided must be based on program participant risk factors.

#### *Prevention – High Risk Factors*

- ⇒ Eviction within two (2) weeks from a private dwelling (including housing provided by family or friends);
- ⇒ Discharge within two (2) weeks from an institution in which the person has been a resident for more than 180 days (including prisons, mental health institutions, hospitals);
- ⇒ Residency in housing that has been condemned by housing officials and is no longer meant for human habitation;
- ⇒ Sudden and significant loss of income.

#### *Prevention – Moderate Risk Factors*

- ⇒ Sudden and significant increase in utility costs;
- ⇒ Mental health and substance abuse issues;
- ⇒ Physical disabilities and other chronic health issues, including HIV/AIDS (if applicable a Housing Opportunities for Person with AIDS (HOPWA) referral is required);
- ⇒ Severe housing cost burden (greater than 50 percent of income for housing costs);
- ⇒ Homeless in last 12 months;
- ⇒ Young head of household (under 25 with children or pregnant);

- ⇒ Current or past involvement with child welfare, including foster care;
- ⇒ Pending foreclosure of rental housing;
- ⇒ Extremely low income (less than 30 percent of Area Median Income);
- ⇒ High overcrowding (the number of persons exceeds health and/or safety standards for the housing unit size);
- ⇒ Past institutional care (prison, treatment facility, hospital);
- ⇒ Recent traumatic life event, such as death of a spouse or primary care provider, or recent health crisis that prevented the household from meeting its financial responsibilities;
- ⇒ Credit problems that preclude obtainment of housing; or
- ⇒ Significant amount of medical debt.

Grantees must submit and maintain grantee specific HPP policies and procedures. These policies and procedures must specify how the grantee will target HPP funds and the method for the efficient use of the funding.

Grantees are responsible for verifying and documenting the household's risk of homelessness that qualifies them to receive assistance. Grantees will be required to evaluate and certify the eligibility of a program participant at least once every three months for all persons receiving assistance beyond arrears and two current months of HPP financial assistance. Please note that a DHCD specific eligibility determination form with appropriate source documentation will be required.

### **Eligible Activities**

There are four categories of eligible activities for the HPP program:

<b><i>Budgetary Limits</i></b>	
<b><i>Budget Category</i></b>	<b><i>Limits</i></b>
Financial Assistance	No less than 70 percent
Housing Relocation and Stabilization Services	Cannot exceed 20 percent
HMIS	Cannot exceed 5 percent
Administrative Costs	Cannot exceed 5 percent

With the exception of administrative costs, HPP eligible costs are intentionally focused on housing — either financial assistance to help pay for housing or services designed to keep people in housing or to find housing. Generally, the intent of HPP assistance is to rapidly transition program participants to stability, either through their own means or through public assistance, as appropriate. HPP assistance is not intended to provide long-term support, nor will it be able to address all of the financial and supportive services needs of households that affect housing stability. Rather, assistance should be focused on housing stabilization, linkages to community resources and mainstream benefits, and helping program participants



develop a plan for preventing future housing instability. *Grantee programs should therefore ensure that there is a clear process for determining the type, level, and duration of assistance for each program participant.*

*Please note funds used for ineligible activities as determined by DHCD, will require repayment by the grantee of the ineligible cost to DHCD.*

#### Financial Assistance

Grantees are required to expend at least 70 percent of the total award on financial assistance. Financial assistance is limited to the following activities:

- Rent
- Rent arrears
- Security deposits
- Utility deposits
- Utility payments (including past due as needed)
- Moving cost assistance
- Application fees
- Mortgage assistance (limited eligibility)

Grantees must not make payments directly to program participants, but only to third parties, such as landlords or utility companies. In addition, an assisted property may not be owned by the grantee or the parent, subsidiary or affiliated organization of the grantee.

*Please note prior HPP (or HIP) assistance may not exclude a household that is otherwise eligible from receiving HPP assistance.*

*Please note that all HPP financial assistance must be utilized as a last resort and structured to minimize the total amounts of assistance to only what is required to prevent homelessness.*

#### *Rental Assistance/Rent Arrears*

Rental assistance is tenant-based rental assistance that can be used to allow individuals and families to remain in their existing rental units or to help them obtain and remain in rental units they select.

- No program participant may receive more than nine months of assistance (including any rent arrears) under HPP per incident.
- A new incident occurs when a program participant has not received HPP financial assistance for at least two months. Please note that program participants may receive services only (no financial assistance) for all or a portion of the time they are in the HPP program. This does not count toward the nine month limit.
- Grantees must determine the amount of rental assistance provided, such as “shallow subsidies” (payment of a portion of the rent), payment of 100 percent of the rent charged, or graduated/declining subsidies.

- Assistance with any portion of rent during a month counts as a month toward the nine month limit.
- Any individual or family receiving assistance beyond any arrears and two current months of rent and utility assistance must be evaluated and recertified as eligible every three months.
- Grantees are required to certify eligibility at intake and at least once every three (3) months.
- Grantees must provide the appropriate level of case management to all households receiving assistance in order to assure housing stability.
- Grantees may require a program participant *to share in the costs* of rent, utilities, security and utility deposits, moving, and other expenses as a condition of receiving HPP financial assistance. For example, a program may require a program participant to pay a portion of the rent expense for a unit.
- HPP assistance should be “*needs-based*,” meaning that grantees should determine the amount of assistance based on the minimum amount needed to prevent the program participant from becoming homeless *in the near term*. This will also help communities to utilize program resources efficiently to serve as many households as possible.
- Rental assistance may also be used to pay *rental arrears* for eligible program participants. Rental arrears may be paid if the payment enables the program participant to remain in the housing unit for which the arrears are being paid or move to another unit. If HPP funds are used to pay rental arrears, arrears must be included in determining the total period of the program participant’s rental assistance, which may not exceed nine months. HPP assistance with rent arrearage must prevent an eviction where no other resources are available or enable an otherwise eligible program participant to obtain housing where the program participant would be homeless. Rent arrears may include associated late fees.
- While the payment of rent arrears is a lump sum and recorded as such in HMIS, each month and the number of months must be noted in HMIS and counted toward the total rent assistances limit of nine months.
- HPP funds may not be used to pay damage costs incurred by the tenant.
- HPP can pay for security deposits (see next section). In these cases, grantees must not take measures to recapture any deposit assistance provided to program participants. In the cases, where the return of a deposit to the grantee is unavoidable all returned deposits must be tracked as program income. Any resulting program income must be used for HPP eligible activities.
- The rental assistance to move into a new unit or to stabilize in to an existing unit cannot exceed the actual rental cost, which must be in compliance with HUD’s

standard of “rent reasonableness.” “*Rent reasonableness*” means that the total rent charged for a unit must be reasonable in relation to the rents being charged during the same time period for comparable units in the private unassisted market and must not be in excess of rents being charged by the owner during the same time period for comparable non-luxury unassisted units. To make this determination, the grantee should consider (a) the location, quality, size, type, and age of the unit; and (b) any amenities, housing services, maintenance and utilities to be provided by the owner. For more information is the rent reasonableness worksheet:

[www.hud.gov/offices/cpd/affordablehousing/library/forms/rentreasonablechecklist.doc](http://www.hud.gov/offices/cpd/affordablehousing/library/forms/rentreasonablechecklist.doc).

- The rental assistance to move into a new unit or to stabilize in to an existing unit cannot exceed the actual rental cost, which must be at or below Fair Market Rents (FMR) for the area. Note the FMR, including utility allowances requires grantees to utilize appropriate utility allowance for any utilities that are paid by the program participant separate from rent. See the following website for the FMR for specific localities: <http://www.huduser.org/portal/datasets/fmr/fmrs/docsys.html&data=fmr12>.
- Rent assistance including rent arrears as a temporary measure to avoid homelessness may not exceed actual costs but may exceed FMR and rent reasonableness if the household will avoid shelter and the program participant has made arrangements to move into a housing unit that will meet the FMR/rent reasonableness standards (documentation of both conditions required).
- No duplication of assistance. HPP financial assistance cannot be made on behalf of eligible individuals or families for the same period of time and for the same cost types that are being provided through another federal, state or local housing subsidy program.
- Rental assistance or arrears for a manufactured or mobile home and/or the lot on which it is located are eligible expenses as long as the household is otherwise eligible.
- Rental assistance provided toward rent for a housing unit owned by a grantee or partner is prohibited.

### *Security and Utility Deposits*

HPP funds may be used to pay for security deposits, including utility deposits, for program participants. In contrast to the requirements regarding rental assistance payments, security and utility deposits covering the same period of time in which assistance is being provided through another housing subsidy program are eligible, as long as the assistance covers separate cost types (for example, rental assistance).

Grantees must not take measures to recapture any deposit assistance provided to program participants. In the cases, where the return of a deposit to the grantee is unavoidable all returned deposits must be tracked as program income. Any resulting program income must be used for HPP eligible activities.

### *Utility Payments*

HPP funds may be used for up to nine months of utility payments for each program participant, provided that the program participant or a member of his/her household has an account in his/her name with a utility company or proof of responsibility to make utility payments, such as cancelled checks or receipts in his/her name from a utility company. HPP assistance should be “*needs-based*,” meaning that grantees should determine the amount of assistance based on the minimum amount needed to prevent the program participant from becoming homeless *in the near term*. This will also help communities to utilize program resources efficiently to serve as many households as possible.

Assistance with utilities may be structured where the program participant pays a portion of the utilities. Partial assistance payment for any month of utilities counts as a month of assistance. Grantees may pay past due utilities, however the past due months must be included in the nine month limit. Utilities are limited to water/sewer, heat, and electricity. Nine month limits are based on assistance with one or more of the basic utilities per month.

#### *Moving Cost Assistance*

HPP funds may be used for reasonable moving costs, such as truck rental, or hiring a moving company to assist an eligible household with housing stability.

#### *Application Fee*

HPP funds may be used for lease or apartment application fees where necessary and no other source has been identified to assist an eligible household with housing stability.

#### *Mortgage Assistance*

Mortgage assistance is a limited cost category that is intended to be used as a last resort and only when homelessness is imminent. Cases of mortgage assistance must otherwise meet all other HPP requirements for program participant eligibility. All cases of mortgage assistance must be justified and documented as:

- Necessary to avoid imminent homelessness
- Short term (no more than three months), limited assistance that is a necessary intermediary measure (e.g., delaying foreclosure until affordable rental housing can be obtained) toward housing stability

Program participant must be working with or be referred to work with a certified housing counselor if being considered for mortgage assistance as all options such as loan modification should be pursued.

Mortgage assistance can only be provided as a last resort in cases where a certified housing counselor has certified the assistance as necessary and appropriate and has provided documentation that alternatives have been pursued.

Mortgage assistance beyond three months requires prior DHCD approval.

In no case will grantees be allowed to structure any loans for the repayment of assistance from the program participant to the grantee.

#### Housing Relocation and Stabilization Services

Housing Relocation and Stabilization Services expenditures are limited to 20 percent of the total award. HPP funds may be used for services that assist program participants with housing stability. These services are limited to the following eligible activities:

- *Housing Case Management* - HPP case management funds may be used for activities for the arrangement, coordination, monitoring, and delivery of services related to meeting the housing needs of program participants and helping them obtain housing stability. Component services and activities may include: housing counseling; developing, securing, and coordinating services; monitoring and evaluating program participant progress; assuring that program participants' rights are protected; and developing an individualized housing and service plan, including a path to permanent housing stability subsequent to HPP financial assistance.
- *Housing Search* - HPP housing search funds may be used for services or activities designed to assist individuals or families in locating, obtaining, and retaining suitable housing. Component services or activities may include: tenant counseling; assisting individuals and families to understand leases; securing utilities; making moving arrangements; representative payee services concerning rent and utilities; and mediation and outreach to property owners related to locating or retaining housing.
- *Mediation/Legal Services* - HPP funds may be used for mediation and legal services to help people stay in their homes, such as services or activities provided by mediator or a lawyer to assist program participants with landlord mediation or with legal advice and representation in administrative or court proceedings related to tenant/landlord matters or housing issues. Any mediation or legal services must be directly related to housing and be a cost reasonable and appropriate activity toward preventing homelessness. Legal services related to mortgages are not eligible.
- *Credit Repair* - HPP funds may be used for services that are targeted to assist program participants with critical skills related to household budgeting, money management, accessing a personal credit report, and resolving personal credit issues. If grantees elect to conduct credit and/or background checks on HPP participants, they must do so for all program participants so as not to violate Fair Housing Law or otherwise discriminate among HPP participants. Grantees may not use HPP funds to reimburse landlords for their costs associated with conducting credit and/or background checks. Credit and background checks must be used for case management purposes to facilitate housing stability. In no case should credit and background checks be used to determine program participant eligibility.

*Please note prior HPP (or HIP) assistance may not exclude a household that is otherwise eligible from receiving HPP assistance.*

### HMIS

Homeless Management Information System (HMIS) expenditures are limited to five percent of the total award. Grantees will be required to conduct data collection and reporting for HPP through the use of HMIS. HMIS must be used to collect and report HPP data.

### ***Eligible HMIS Activities***

Reasonable and appropriate costs associated with operating a HMIS for purposes of collecting and reporting data required under HPP and analyzing patterns of use of HPP funds are eligible. Eligible costs include the purchase of HMIS software and/or user licenses, leasing or purchasing needed computer equipment for providers and the central server, costs associated with data collection, entry and analysis, and staffing associated with the operation of the HMIS, including training.

### ***Ineligible HMIS Activities***

HMIS activities that are ineligible include planning and development of HMIS systems, development of new software systems, and replacing current state and local government funding for an existing HMIS.

### **Administrative Costs**

No more than five percent of the grantee's total HPP grant to the grantee may be spent on administrative costs. Administrative costs may include costs associated with accounting for the use of grant funds; preparing reports for submission to DHCD; obtaining program audits; similar costs related to administering the grant after the award; and grantee staff salaries associated with these administrative costs. Administrative costs also include training for staff who will administer the program or case managers who will serve HPP clients, as long as this training is directly related to HPP.

Administrative costs *do not* include the costs of issuing financial assistance, providing housing relocation and stabilization services (to include case management), or carrying out eligible data collection and evaluation activities. These costs should be included under one of the other appropriate eligible activity categories.

### **Ineligible and Prohibited Activities**

- Grantee past due taxes
- Grantee late fees
- Repayment of loans from the program participant to the grantee.
- Return of utility or security deposits to the grantee not tracked as program income.
- Assistance where other resources are available.
- Other ineligible and prohibited activities:
  - construction or rehabilitation;
  - credit card bills or other consumer debt;
  - car repair or other transportation costs;
  - program participant travel costs;
  - food;
  - medical or dental care and medicines;
  - clothing and grooming;
  - home furnishings;
  - pet care;
  - entertainment activities;
  - work or education related materials;
  - indirect costs, and
  - cash assistance to program participants.

- HPP funds may **not** be used to develop discharge planning programs in mainstream institutions such as hospitals, jails, or prisons.
- Programs may **not** charge fees to HPP program participants.
- Any HPP funds used to support program participants must be issued directly to the appropriate third party, such as the landlord or utility company, and in no case are funds eligible to be issued directly to program participants. If funds are found to be used for ineligible activities as determined by DHCD, the grantee will be required to reimburse these costs to DHCD.

## **Other Requirements**

### *Discharge Coordination*

Persons who are being imminently discharged into homelessness from such publicly funded institutions are eligible to receive financial assistance or services through HPP as long as they meet the minimum program participant eligibility requirements. HPP Grantees must coordinate with these institutions to prevent where possible individuals from becoming homeless. Referrals must be made where appropriate to the following:

- Veterans Administration (VA)
- HOPWA
- Department of Social Services
- Local domestic violence services
- Department of Behavioral Health and Developmental Services
- Others as needed

### *DUNS Number*

All grantees are required to register with Dun and Bradstreet to obtain a DUNS number, if they have not already done so, and complete or renew their registration in the Central Contractor Registration (CCR). For more information see 73 FR23483, April 30, 2008 or go to [www.dnb.com](http://www.dnb.com).

### *Compliance with Fair Housing and Civil Rights Laws*

(1) Grantees must comply with all applicable fair housing and civil rights requirements in 24 CFR 5.105(a). (2) If the grantee: (a) Has been charged with an ongoing systemic violation of the Fair Housing Act; or (b) Is a defendant in a Fair Housing Act lawsuit filed by the Department of Justice alleging an ongoing pattern or practice of discrimination; or (c) Has received a letter of findings identifying ongoing systemic noncompliance under Title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, or section 109 of the Housing and Community Development Act of 1974, and the charge, lawsuit, or letter of findings referenced in subparagraphs (a), (b), or (c) above has not been resolved before the application deadline, then the grantee is ineligible to apply for HPP funds.

### *Method of Payment*

Disbursements will be made on a quarterly basis through Requests for Reimbursement. Grantees will have the option of receiving an initial allocation of up to 33 percent of the total grant award.

DHCD requires that grantee receive funds via electronic transfer. To establish an account go to: Virginia Department of Accounts web site (<http://www.doa.virginia.gov>) and select EDI

(Electronic Data Interchange) from the links on the right hand side of the page.

### *Confidentiality*

Each grantee must develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided with assistance. These procedures must minimally assure confidentiality through:

- Locked and restricted access to program participant records
- The use of unique identifiers to protect program participant identity
- Implementation of a board approved confidentiality policy to be signed by all staff and volunteers

### *Grievance Policy*

Any individuals seeking and/or receiving HPP assistance must receive written notification of the grantee's grievance policy. Grievance policies must be board approved and provide specific procedures to be followed for any disputed HPP decision impacting HPP assistance. Program participants contacting DHCD directly will be referred back to the grantee's grievance policy. The grantee must be prepared to provide documentation of the grievance record in cases requiring further DHCD action. DHCD reserves the right to review and approve all HPP grievance policies.

The grantee may terminate assistance to a program participant who violates program requirements. Grantees may resume assistance to a program participant whose assistance was previously terminated. In terminating assistance to a program participant, the grantee must provide a formal process that recognizes the rights of individuals receiving assistance to due process of law. This process, at a minimum, must consist of: (1) Written notice to the program participant containing a clear statement of the reasons for termination; (2) A review of the decision, in which the program participant is given the opportunity to present written or oral objections before a person other than the person (or a subordinate of that person) who made or approved the termination decision; and (3) Prompt written notice of the final decision to the program participant.

### *Recordkeeping*

Grantees must keep any records and make any reports (including those pertaining to race, ethnicity, gender, and disability status data) that DHCD may require within the timeframe required. All program and program participant records must be maintained for at minimum of five years.

### *Monitoring*

DHCD is responsible for monitoring all HPP activities carried out by a grantee, to ensure that the program requirements are met. Monitoring can include both programmatic and financial reviews.

### *HMIS*

The HPP grantees are required to report program participant-level data, such as the number of persons served and their demographic information, in a Homeless Management Information System (HMIS) database. HMIS is an electronic data collection system that facilitates the collection of information on persons who are homeless or at risk of becoming



homeless that is managed and operated locally. HPP grantees providing financial assistance and services will use the HMIS system in the applicable Continuum of Care to collect data and report on outputs and outcomes as required. The required data elements that will be collected in HMIS for HPP are included in the HMIS Data and Technical Standards.

### *Performance Reports*

Grantee must be able to track and report HPP activities, program participant data, and spending separately from other activities. Minimum reporting requirements will include quarterly reports, annual reporting, and close out reporting. Grantees will report on outputs, such as the number of persons served and the demographic characteristics of persons served, HPP funds expended by activity type, as well as outcomes related to housing stability. Most reporting elements will be generated from HMIS data. Adherence to required HMIS data standards will be essential to performance reporting.

### *Conflicts of Interest*

No person who is an employee, agent, consultant, officer, board member, volunteer or elected or appointed official of the grantee who participates in decision-making processes may gain personally or have any interest in any assistance, contract, subcontract, or agreement either for himself or herself or for those with whom he or she has family or business ties, during his or her tenure or for one year thereafter.

Upon the written request of the grantee, DHCD may grant an exception to the restrictions in the paragraph above on a case-by-case basis when it determines that the exception will serve to further the purposes of the HPP program and promote the efficient use of HPP funds. In requesting an exception, the grantee must provide a disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made.

Grantees and any subsidiaries are prohibited from receiving HPP rent payments for a HPP program participant where HPP eligibility and assistance is being reimbursed through the grantee's DHCD HPP agreement.

### *Property Standards*

These standards apply only when a program participant is moving into a new unit. They do not apply to persons served with HPP prevention assistance in an existing unit.

DHCD is providing a Habitability Standards form that must be completed and included in program participant records in all applicable cases.

Note that the habitability standards are different from the Housing Quality Standards (HQS). Because the HQS criteria are more stringent than the habitability standards, a grantee could use either standard. In contrast to HQS inspections, the habitability standards do not require a certified inspector.

Please note that housing that is occupied by families with children and that was constructed before 1978 - must also comply with Lead Based Paint inspection requirements, per the Lead Based Paint Poisoning Prevention Act. This requirement applies only to units that a family moves into with HPP assistance. This does not apply to existing units.

DHCD is providing a Lead-Based Paint Visual Assessment form that must be completed and included in program participant records in all applicable cases.

#### *Nondiscrimination and Equal Opportunity Requirements*

Grantees must comply with all applicable fair housing and civil rights requirements. In addition, grantees must make known that HPP rental assistance and services are available to all on a nondiscriminatory basis and ensure that all citizens have equal access to information about HPP and equal access to the financial assistance and services provided under this program. Among other things, this means that each grantee must take reasonable steps to ensure meaningful access to programs to persons with limited English proficiency (LEP), pursuant to Title VI of the Civil Rights Act of 1964.

This may mean providing language assistance or ensuring that program information is available in the appropriate languages for the geographic area served by the jurisdiction and that limited English proficient persons have meaningful access to HPP assistance.

#### *Affirmatively Furthering Fair Housing*

Grantees will have a duty to affirmatively further fair housing opportunities for classes protected under the Fair Housing Act. Protected classes include race, color, national origin, religion, sex, disability, and familial status. Examples of affirmatively furthering fair housing include: (1) marketing the program to all eligible persons, including persons with disabilities and persons with limited English proficiency; (2) making buildings and communications that facilitate applications and service delivery accessible to persons with disabilities (see, for example, HUD's rule on effective communications at 24 CFR 8.6); (3) providing fair housing counseling services or referrals to fair housing agencies; (4) informing participants of how to file a housing discrimination complaint, including providing the toll-free number for the Housing Discrimination Hotline: 1-800-669-9777; and (5) recruiting landlords and service providers in areas that expand housing choice to.

#### **Grantee Reporting Requirements**

Reports must be submitted in the given report format that will be supplied to the grantees by DHCD. Timeliness is critical as this data will be aggregated by DHCD for other reporting purposes. Grantees that fail to meet reporting requirements and deadlines are considered in non-compliance. A non-compliance status can impact future grantee reimbursements and other DHCD funding opportunities.

Grantees must assure that data is complete and accurate. Each grantee is expected to enter all program participant data into the HMIS system, complete periodic data quality checks, and work with their local HMIS administrator to assure that complete quality data is submitted to DHCD by the specific due dates.

## **Application Evaluation Criteria**

All applications submitted by the deadline (11:59 P.M. Friday, April 20, 2012) that meet minimum threshold requirements will be reviewed and ranked by an application review panel. **Please note that application must be submitted electronically through DHCD's CAMS system.** Organization must be registered in DHCD's online application system, CAMS (Centralized Application and Management System) order to submit an application. Organizations may register in CAMS beginning March 5, 2012. Please allow up to five business days for DHCD processing and approval of registration request. Organization can not start an application without an approved organizational registration (profile). Completed applications must be submitted in the system by the deadline above.

*Threshold Criteria:*

- Eligible applicant
- Eligible activities
- Proposal received on or before deadline

All applications meeting the minimum threshold requirements will be reviewed, scored, and ranked through a panel review process based on the following criteria:

- Need (maximum 25 points)
  - Does the proposal seek to fill what would otherwise be a gap in homeless prevention and homeless services for this specific geographic area?
  - Does the proposal (proposed budget and budget narrative) demonstrate a need for the requested funding?
  - Is there clearly a demand for the program in the area?
  - How critical is the need in the area?
  - Does the proposed program include any special features that would enhance the proposal's ability to meet the target population's needs?
  - How credible is the evidence to support the local need?
- Local Coordination (maximum 25 points)
  - How well are the proposed activities coordinated with other activities and funding sources in the area?
  - Specifically, if there are other homeless services in the area how will this program be coordinated with them?
  - To what degree are these proposed activities a part of a local coordinated effort?
  - To what degree will a coordinated or centralized intake system be utilized?
  - Is there a Ten Year Plan to End Homelessness in your area?
    - If so, At what stage is your area with the implementation of a Ten Year Plan to End Homelessness?
    - If so, how does this proposal further the plan?
  - How will access with main stream resources be coordinated?
- Approach (maximum 25 points)

- How experienced is the applicant with providing similar services and assistance?
- How experienced is the applicant in working with the target population?
- Does the proposed program appear to be based on proven methods and/or is the program able to demonstrate good outcomes?
- Do the program costs appear reasonable?
- Do the program outcomes and objectives appear reasonable?
- To what degree do the proposed activities support Federal and State goals?
  - To what degree will these efforts help to reduce the number of households becoming homeless?
- Capacity (maximum 25 points)
  - How experienced is the applicant with providing similar services and assistance?
  - Does there appear to be a plan for appropriate program oversight?
  - Is there appropriate board involvement?
  - Does the applicant demonstrate effective grant management experience?
  - Does the applicant demonstrate adequate capacity for data collection and reporting?
  - How many, and what type of findings, concerns, or other compliance issues has the agency had during the 2011-12 program year?
  - To what degree does the program leverage other resources?
  - Does the organization have written financial policies and procedures?

***Proposals must score a minimum of 60 points in order to be eligible to receive funding through this program. Funding offers will be issued based on scores and the need for statewide coverage until all funds are committed. DHCD reserves the right to make adjustments to HPP requested amounts. DHCD reserves the right to make provisional funding commitments in order to address local needs.***

All questions regarding the application should be directed to Kathy Robertson at 804-225-3129 or [kathy.robertson@dhcd.virginia.gov](mailto:kathy.robertson@dhcd.virginia.gov).

DHCD is offering “How to Apply” workshops for prospective grantees. The workshops will review program parameters, application requirements, and the electronic application system. While it is not mandatory, it is highly recommended that all applicants attend.

**Roanoke, Monday, March 19, 2012**

**1:00pm to 3:00pm**

**Richmond, Tuesday, March 20, 2012**

**10:30am to 12:30pm**

Applicants must go to <https://dmz1.dhcd.virginia.gov/DHCDEvents/default.aspx> to register for the workshops by **Friday, March 16, 2012**. Workshop details including location information will be provided to registered attendees.

DHCD anticipate announcements of awards by July 1, 2012.

Any updates related to this funding will be posted on DHCD’s website at [www.dhcd.virginia.gov](http://www.dhcd.virginia.gov) . It is incumbent upon the interested parties to check for updates.